

# **Program Summary** **Department of Education** **Early Childhood Block Grant**

## **Program Overview**

Administered by the Arizona Department of Education (ADE), the state's Early Childhood Block Grant (ECBG) aims to promote student achievement by providing flexible additional funding for early childhood programs. Block grants are awarded to public school districts and charter schools, also known as Local Educational Agencies (LEAs), based on the number of K-3 pupils in each LEA who were eligible for free lunches during the prior fiscal year under the National School Lunch and Child Nutrition Acts. State ECBG monies may be used to support 3 types of programs:

- Preschool programs for economically disadvantaged children;
- Full-Day Kindergarten programs;
- Programs for all students in kindergarten through Grade 3.

*Table 1* demonstrates that LEAs historically have spent over 50% of ECBG monies on preschool, just over 30% on Full-Day Kindergarten and approximately 15% on K-3 programs.

LEAs have considerable discretion on how they use ECBG funds, but must submit an expenditure plan each year to ADE that specifies the amounts they plan to allocate to each of the 3 program areas and the types of costs they plan to cover. A maximum of 5% of ECBG funding, however, may be used for administrative costs. Historically LEAs have used about 80% of ECBG funding each year for direct instructional costs.

Few restrictions exist in the use of ECBG funding for Full-Day Kindergarten and K-3 programs. ECBG-funded preschool programs, however, are restricted to preschool children who are eligible for free or reduced price lunches under the National School Lunch and Child Nutrition Acts. These children may only receive preschool services from a public, federally funded or private child care provider that is licensed by the Department of Health Services and

accredited by a State Board of Education approved organization that provides accreditation for preschool programs, such as the National Association for the Education of Young Children (NAEYC).

## **Program Funding**

The ECBG program receives funding solely from the General Fund. In FY 2006, the program will receive approximately \$19.4 million from the General Fund. Funding for the program has been essentially unchanged since its inception, receiving increases only for statewide adjustments pertaining to ADE's administration of the program. *Table 2* displays historical funding information for the ECBG program, using data from FY 2001, FY 2005 and FY 2006.

**Table 2**

### **Early Childhood Block Grant Fund History**

	<u>FY 2001</u>	<u>FY 2005</u>	<u>FY 2006</u>
<b>GF Total</b>	\$19,406,100	\$19,413,200	\$19,424,600

## **Performance Measures**

*Table 3* includes the measures ADE uses to assess the performance of the state's ECBG program.

The performance measures in *Table 3* that assess student achievement in Grade 2 and Grade 3 as measured by standardized tests are included in the General Appropriation Act. Though these measures relate to the ECBG program, they are not specific to it and are affected by other academic programs. A quality measure of customer satisfaction with the on-line grants application process is also included in *Table 3*, indicating a high level of satisfaction with the process.

Two additional outcome measures should be tracked to more precisely gauge the extent to which the ECBG program achieves its goal of promoting student achievement. First, preschool programs supported by ECBG funds are required to administer

**Table 1**

### **Early Childhood Block Grant Expenditure Breakdown**

	<u>FY 2001</u>	<u>% of Grants</u>	<u>FY 2005</u>	<u>% of Grants</u>
Preschool Programs	\$9,828,100	52%	\$11,530,314	58%
All-Day Kindergarten	\$2,963,200	15%	\$2,276,324	11%
Kindergarten - grade 3	\$6,227,400	33%	\$6,245,992	31%

the Pre-K Success assessment pre-test at the beginning of the school year and post-test at the end of the year. This assessment measures child outcomes in language, problem solving, and motor skills. It would be useful to track not only the readiness index score included in *Table 3*, but also the average percentage gain in each outcome category between the pre-test and post-test to capture the value added by the program.

Second, when LEAs apply for supplemental funds for all-day kindergarten and kindergarten through Grade 3 programs, they must specify goals and objectives for student outcomes that would not be possible without ECBG funds. ECBG program administrators should track the percentage of schools that achieve

all or a percentage of the student outcomes specified in their initial application at the end of the school year in which they receive funds.

Lastly, the 2001 Auditor General ECBG performance audit indicated that a large portion of unspent grant monies come from a small portion of LEAs. Unspent money is carried over to the next fiscal year and is therefore not available to fund other early education needs during the current year. To promote the more efficient use of funds, performance measures should be added to track the number of LEAs that have not spent all of their grant money at the end of the school year as well as the total amount of unspent grant money.

**Table 3**

<b>Early Childhood Block Grants Performance Measure</b>		
<b><u>Performance Measure</u></b>	<b><u>FY 2004 Actual</u></b>	<b><u>FY 2006 Estimate</u></b>
Percent of students tested who perform at or above the national norm on the norm-referenced test (Grade 2)		
Reading	46	48
Math	53	55
Percent of students in Grade 3 meeting or exceeding state academic standards in:		
Reading	71	80
Writing	80	82
Math	63	70
Percent of enrolled preschool children with a readiness index score of 1.0 or greater on the Pre-K Success assessment	90	90
Percent of Early Childhood Education customers satisfied with on-line grants application process	98	98